



THE NEW YORK STATE BLACK, PUERTO RICAN AND HISPANIC LEGISLATIVE CAUCUS

ROOM 442-A, LEGISLATIVE OFFICE BUILDING
ALBANY, N.Y. 12248
(518) 455-5347 • (518) 455-4535 FAX
e-mail: bpcaucus@assembly.state.ny.us

EXECUTIVE OFFICERS

Assemblyman Adriano Espaillat
Chairman
Assemblyman Danny Torres
First Vice-Chair
Assemblyman Felix W. Ortiz
Second Vice-Chair
Senator Byron W. Brown
Third Vice-Chair
Senator Ruth Hansell-Thompson
Secretary
Assemblywoman Vivian E. Cook
Treasurer
Assemblyman Jose Rivera
Parliamentarian
Assemblywoman Aurelia Owens
Clerk

July 2, 2004

Mr. Michael K. Powell
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: MB Docket No. 04-207

MEMBERS

Senator
Carl Andrews
Assemblywoman
Carmen E. Arroyo
Assemblyman
Jefferson L. Aubrey
Assemblyman
Michael A. Benjamin
Assemblyman
William F. Boyland, Jr.
Assemblywoman
Barbara M. Clark
Assemblyman
Luis M. Diaz
Assemblyman
Ruben Diaz, Jr.
Senator
Ruben Diaz, Sr.
Senator
Martin M. Djan
Assemblyman
Herman D. Farrell, Jr.
Assemblyman
David F. Ganit
Assemblywoman
Diana Gordon
Assemblyman
Carl Heastie
Assemblywoman
Earlene Hooper
Senator
Vernon E. Montgomery
Assemblyman
Clarence Norman, Jr.
Senator
Kevin S. Parker
Senator
David A. Paterson
Assemblywoman
Crystal D. Peoples
Assemblyman
Jose R. Peralta
Assemblyman
N. Nick Perry
Assemblyman
Adam Clayton Powell, IV
Assemblyman
J. Gary Prellow
Assemblyman
Phil Ranco
Assemblywoman
Annette Robinson
Senator
John L. Sampson
Assemblyman
William Scarborough
Senator
Ad L. Smith
Senator
Malcolm A. Smith
Assemblywoman
Michelle R. Titus
Assemblyman
Keith L.T. Wright

EXECUTIVE DIRECTOR
Tyrona Benton

Dear Chairman Powell:

I am writing in opposition to the proposed "a la carte" cable system being considered in Congress, as it does not benefit consumers.

The finest quality of our current cable system is its ever increasing diversity. Over the past twenty years, the number of cable program networks has grown from 28 to 339, with the array of programs offered on existing networks dramatically increasing annually. With the improved diversification of programming, American consumers have benefited from exposure to important channels that support varied voices, such as BET, Telemundo, TV One, ESPN Deportes, C-SPAN and The Learning Channel. Correspondingly, the viewing of cable programming has steadily increased.

The economics of the cable industry are based on licensing agreements between cable programmers and operators, the cost of which are passed onto consumers, and national and local advertising. Advertising earnings are generally based on the number of viewers a channel attracts. If a channel appeals to a specialized audience, under the "a la carte" system, its viewership will decline, as occasional viewers today would no longer subscribe. Loss of these viewers and those who might watch these channels regularly and not when offered "a la carte" will severely reduce advertising revenue and increase the cost of licensing agreements and the costs passed onto consumers.

Further, if channels do not have adequate revenue, the quality and diversification of programming will decrease. Judith McHale, President of Discovery Communications, has argued that "Discovery's award-winning networks will not exist in an *a la carte* environment and consumers will have lost the channels they regard as the pre-eminent source of high quality, family-friendly programming." Many of these channels will be forced out of business. We will no longer be able to enjoy the diverse programming of today.

FCC

- 2 -

July 2, 2004

An impressive and vibrant cable programming industry has developed without the need of government regulation. Cable offers consumers an incredible entertainment and educational value. Please help sustain this system. Do not support the "a la carte" proposal.

Sincerely,



Assemblyman Adriano Espaillat
Chairman

AE/mo